

## EFFECT OF THE EUROPEAN WAR

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President's act. Possibly, all nations, after this tragic interlude, may become exalted into a more generous sympathy, and may practically and genuinely accept the teaching that in a universal brotherhood—which the world should constitute—every member must patiently and gladly aid each afflicted brother to bear his cross. My practical judgment is—although the act itself presents the brighter and more benignant aspect—that our statesmen, in so profound a national crisis, were too deferential to the remonstrances of neutrals, founded, as these were, upon the selfishness of profitable trade. In November a minimum price was removed from Consols and some other securities with the result that Consols fell from its artificial value of 65 down to 57. It was evident that every minimum price (since it in no degree whatever represented actual value) should disappear for the purpose of ascertaining the genuine market-worth—through the index of unfettered purchases and sales—of our investments, and for the additional reason that the estates of dead holders were rendered incompetent of realisation, and death duties thus delayed when every shilling was important in our national need of funds. For, obviously, no buyers could be found to offer the high fictitious prices which the minimum schedule imposed. It may as well be mentioned here that, on the 4th January, 1915, the Stock Exchange reopened as the result of deliberation between the Committee and the Treasury. But this event was to be attended by restrictions with the object of protecting the London market against forced realisations of securities; preventing speculative operations designed to depress prices; and closing the different markets to the enemy directly and indirectly. The Committee decided that the minimum prices which had been fixed while the Stock Exchange was closed should be retained in force until the end of July; then to be subject to such revision as might be deemed expedient, but every reduction was to receive the Treasury's approval; and while this restriction remained, no member was to be allowed to enter into a bargain or negotiate any purchase or sale, whether

between members or non-members, at a less price than the lower of the two prices quoted in the minimum scale. All bargains were to be for cash, and could not be continued from day to day; more-